

Request for Proposal (RFP) Number 2010-SMAC-001
Alabama Medicaid Agency
Pharmacy Average Acquisition Cost (AAC)/
State Maximum Allowable Cost (SMAC) RFP
Question and Response

Q: How much money has the Alabama Medicaid Agency allotted for this project?

A: There is no certain monetary amount “allotted” for this project. As outlined in Section VIII, “Evaluation and Selection Process” of the RFP, the responsive proposals will be scored on various criteria, of which price is a factor.

Q: Is this a new requirement or is there an incumbent vendor for these services?

A: Although the Alabama Medicaid Agency currently has a SMAC program, it is administered internally. This RFP is to implement a new reimbursement methodology as outlined in Section I “Background”. There is a vendor who currently holds a contract from the 2008-SMAC-01 RFP.

Q: Would you please provide a copy of the State’s current SMAC vendor contract including contract pricing?

A: An electronic copy of the current SMAC vendor contract is listed on the Agency’s website at the link

http://www.medicaid.alabama.gov/documents/News/ITB-RFPs/myers_stauffer_smac_08.pdf

Q: Is the Alabama Medicaid Agency required by State Law or policy to follow a specific SMAC formula/reimbursement calculation methodology? If so, please describe that methodology.

A: The State’s current reimbursement methodology is listed in the RFP in the Section I “Background” (Rule No. 560-X-16-.06. Reimbursement for Covered Drugs).

Q: Is invoice submission by stores voluntary or mandatory?

A: The Agency believes the best way to obtain the average acquisition costs of enrolled providers is a random sample via mandatory submission. According to Rule No. 560-X-16-.02, Requirements for Participation, (5) “Pharmacy providers must agree to keep records...to fully disclose extent of services rendered....At a minimum the following records and/or documentation must be available for examination: 1) prescription files and 2) invoices.” Therefore, the Agency has the authority to examine the invoices of any Alabama Medicaid pharmacy provider. This Rule information can be found on our website at www.medicaid.alabama.gov under Resources/Administrative Code/Chapter 16 Pharmacy Services.

Q: Will there be an expectation that the successful bidder will be required to participate in any fair hearings process as a result of this RFP?

A: While the Agency strives to work openly and proactively with all parties involved to negate the need for fair hearings or related litigation, if the need should arise, the Contractor will be expected to participate in any requested or mandatory meetings or hearings.